

Newspapers say govt aims to raise \$190m

Indian finance minister denies plan for slapping war tax

BOMBAY, July 15: Finance Minister Yashwant Sinha squashed bond market speculation Thursday about a tax to cover expenditure on the two-month Kashmir conflict, but said the costs would have an impact on the budget and the future, reports AP.

Sinha told a meeting of industrialists in Bombay, the country's financial capital, that India's success in pushing back Islamic intruders contributed to a "feel-good mood" that should accelerate growth.

"I have never spoken about a war tax. I'm repeating in front of the camera that I have not spoken about any war tax," he told reporters later.

Sinha said the government was assessing costs of the border conflict with Pakistan. "It will have an impact on the budget. There have been big costs. There will be cost for the future," he said.

"We will have to think of a series of measures which will enable us to keep the fiscal deficit under reasonable control."

Newspapers reported that the government was planning a

special tax to collect up to 8 billion rupees (\$190 million) to defray the costs of two months of battling Pakistan-based intruders in Kashmir.

Replaying to reporters' questions, Sinha said revenue deficit would have to be attacked to bring the fiscal deficit under control. "No country can live beyond its means.... If we eliminate the revenue deficit which is not an easy task, then we can bring the fiscal deficit down to 2 per cent, which is livable."

He described the fiscal deficit as the most intractable problem of the Indian economy, which could be tackled if everyone paid their taxes and government fees.

There has been a ground swell of patriotism. If we just give this a little push we will have every citizen giving his due to the government and society. This is one way in which we will tackle the fiscal deficit and there will be other ways," Sinha told the Indian Merchants Chamber.

The flow of foreign direct investment and institutional in-

vestment, and the rise in industrial output were signs of an economic revival, he said.

"Despite elections and the border crisis, we are moving ahead, confident as a nation and as an economy," Sinha said.

A fiscal deficit of 4 per cent is the target of the Finance Ministry this year as compared to 6.3 per cent last year. Meanwhile, inflation is 3 per cent, the lowest in 17 years.

Sinha's July 13 meeting with Indian President K R Narayanan had fuelled newspaper reports that he had proposed the government's proposal for a special tax.

The government, acting as caretaker until September-October elections, must receive presidential approval before taking such major policy decisions.

Under an agreement reached Sunday between Pakistani and Indian military chiefs, Islamic fighters were given until Friday to leave strategic heights in the Kargil region of Kashmir on the Indian side of a 1972 cease-fire line. The Indian army had

pushed the intruders back in other sectors of the cold, difficult terrain before the agreement was reached.

The way the government has handled Kargil and the kind of successes we have achieved and the confidence everyone has shown in the inherent strength of the economy, that is being reflected today," Sinha said in his speech Thursday.

In the southern city of Bangalore Wednesday, he also said that India planned to argue against "unequal and discriminatory" rules and policy-making procedures at the World Trade Organization talks in Seattle, Washington.

He said the economic revival in India is being driven largely by demand from rural markets for Indian-made goods, and issued a warning to multinational companies against promoting consumerism in India.

The same stand will be taken up at the WTO meetings, he said.

"Today we are alone in some of the international fora. It is because others have been suppressed, subordinated or bought over," Sinha said.

S'pore to help LDCs integrate economies

SINGAPORE, July 15: Singapore has reaffirmed its support, along with other members of the APEC, to the causes of the LDCs, including Bangladesh, for integrating their economies with the world economy, reports BSS.

The pledge was given by Singapore's Trade and Industries Minister Brigadier-General George Yeo at a meeting with the visiting Commerce and Industries Minister Tofail Ahmed at his office today.

Yeo informed the visiting Minister that the APEC (Asia-Pacific Economic Cooperation) Trade Ministers, at a recent meeting, decided to further compensatory measures, including duty-free market access of the LDCs products, as decided in the first WTO Ministerial meeting in Singapore in 1996.

Tofail Ahmed, urging support of Singapore for the coming third WTO ministerial meeting in Seattle, Canada, said, the LDCs, including Bangladesh, are deprived of the benefits from the rest of the world as pledged in the Uruguay Round of Agreements.

The poor countries have become poorer through liberalising their trade, Tofail said, adding that LDCs miseries should be considered in the millennium round. He said as the

coordinator and spokesman of LDCs, Bangladesh will raise the grievances of LDCs.

The two ministers also discussed the bilateral trade and investment relations with the Singapore Minister saying that much enthusiasm has been generated among the Singapore investors and businessmen about Bangladesh.

The Singapore Minister also appreciated Bangladesh government's open-door policy in energy, infrastructure and tourism sectors.

Tofail briefed his Singapore counterpart about the government steps and strategy to increase investments and exports. He requested Brig Yeo to use his good offices in mobilising investment from Singapore for Bangladesh.

Yeo said a trade delegation of Singapore TDB and Singapore Confederation of Industries will visit Bangladesh to explore the possibilities of expanding trade and investment.

During the meeting, MCCI President Mahbub Jamil, former MCCI President Samson H Chowdhury, Executive Chairman of BOI M Sirajuddin, and Bangladesh High Commissioner to Singapore Ashfaqur Rahman were present.

Exchange Rates

American Express Bank Ltd foreign exchange rates (indicative) against the Taka to major currencies.					
Currency	Selling TT & OD	Selling BC	Buying TT Clean	Buying OD Export Bill	Buying OD Transfer
US Dollar	48.7300	48.7700	48.3200	48.1570	48.0850
Pound Stg	76.4622	76.5250	75.3116	75.0575	74.9453
Deutsche Mark	25.8496	25.8708	24.8816	24.7823	24.7453
Swiss Franc	31.1076	31.1331	30.6307	30.5274	30.4818
Japanese Yen	0.4057	0.4060	0.3988	0.3975	0.3969
Dutch Guilder	22.9419	22.9608	22.0829	21.9947	21.9819
Danish Krona	6.7409	6.7464	6.5903	6.5881	6.5882
Australian \$	32.5809	32.6076	31.3162	31.2106	31.1639
Belgian Franc	12.5233	12.543	12.064	12.015	11.997
Canadian \$	33.2583	33.2856	32.3059	32.1970	32.1488
French Franc	7.7074	7.7137	7.4188	7.3892	7.3782
Hong Kong \$	6.2916	6.2968	6.2145	6.1935	6.1842
Italian Lira	0.0261	0.0261	0.0251	0.0250	0.0250
Norway Kroner	6.1296	6.1346	6.0294	6.0091	6.0001
Singapore \$	29.0198	29.0436	28.0898	27.9550	27.9531
Saudi Rial	13.0301	13.0408	12.8487	12.8053	12.7862
UAE Dirham	13.3040	13.3150	13.1197	13.0756	13.0559
Swedish Krona	5.8834	5.8881	5.6127	5.5807	5.5854
Qatari Riyal	13.4224	13.4334	13.2329	13.1883	13.1686
Kuwaiti Dinar	164.0741	164.2088	152.2369	151.7234	151.4865
Thai Baht	1.3515	1.3162	1.3012	1.2968	1.2949
Euro	50.5751	50.5989	48.6643	48.4700	48.3976

Bill buying rates

TT Doc	30 Days	60 Days	90 Days	120 Days	180 Days
48.2112	47.9074	47.5048	47.1023	46.6997	46.2945

US Dollar London Interbank Offered Rate (LIBOR)

Buying	Selling	Currency	1 Month	3 Months	6 Months	9 Months	12 Months
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48.0850	48.7300	USD	5.1800	5.3100	5.5875	5.6575	5.7575
48.0850	48.7300	GBP	5.06156	5.11281	5.29438	5.34844	5.43666

Cash/TC	Cash/TC	Euro	2.62438	2.66313	2.86313	2.90313	2.97750
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Exchange rates of some Asian currencies against US dollars

Indian Rupee	Pak Rupee	Thai Baht	Malaysian Ringgit	Indonesian Rupiah	Korean Won
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43.267/43.272	51.780/51.850	37.060/37.110	3.7995/3.8005	6710/6720	1184.7/1185.0
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Amex notes on Friday's market

The USD/BDT market has maintained its sluggish trend. The buying demand of the dollar remained low because of lower import and higher export. Increased incoming remittance also proved to be a vital factor for this slow movement. The USD/BDT rate moved around 48.6450-48.6500 range.

The money market remained highly liquid and was moderately active. The call market traded around 6.00-6.50 per cent range.

The dollar moved narrowly against the yen in late afternoon Tokyo on Thursday in a market marking time amid expectations that the Bank of Japan (BOJ) could soon intervene to curb the yen's strength. Such expectation mounted as the dollar approached a psychologically important support point of 120 yen. Senior Japanese Finance Ministry official Zenbei Mizoguchi said earlier on Thursday the ministry would consider an appropriate response to the dollar's recent fall against the yen, but the impact of his remarks on the market was limited. The BOJ has intervened five times in the currency markets in recent months.

Earlier, the dollar rose as high as 120.92 Yen amid speculation that the BOJ might step in to buy dollars. But the dollar reversed direction on selling by Japanese exporters and on a report quoting Finance Minister Kiichi Miyazawa as saying that 120 yen was not a level to worry about. The dollar slipped as low as 120.42 yen before paring losses on comments by Miyazawa that the report was a "nuisance" and that there was no change in the policy of taking decisive action against any drastic rise in the yen.

At around 0653 GMT the exchange rates of major currencies against USD were GBP/USD 1.5644/54, USD/SFR 1.5699/09, USD/JPY 120.47/50, EUR/USD 1.0223/26.

Shipping Intelligence

Chittagong port

Berth position and performance of vessels as on 14.7.99

Berth No	Name of vessels	Cargo	L Port	Local agent	Date arrival	Lea-vng
J/1	Xiang Cheng	GI	Tanj	Bdshp	20/6	20/7
J/2	Michell	GI(DP)	Sing	MSA	12/6	19/7
J/3	Bangla Kaloi	Wheat(GI)	Sing	BSC	R/A	15/7
J/4	Engouragement	Sugar(GI)	Maza	Limond	20/6	18/7
J/5	Phaethon	Sugar(GI)	Darb	OWSL	10/6	20/7
J/6	Leona	GI	Dava	Prog	17/6	16/7
J/7	Vishva Prafulla	Rice(GI)	Mong	OL	24/6	16/7
J/8	Zeynep Kaptanoglu	Wheat(P)	P Said	OWSL	3/5	16/7
J/9	Ever Brisk	GI	Sing	RML	30/6	15/7
J/10	Karunia Lestari-II	Rice(P)	Kochi	PSAL	22/5	17/7
J/11	Kota Berjaya	Cont	Sing	PIL(BD)	7/7	15/7
J/12	QC Pintail	Cont	Sing	OCCL	10/7	15/7
J/13	AL Swarnuz	Wheat(GI)	Mong	ANCL	1/7	15/7
CCT/1	Nordkap	Cont	Sing	RSL	4/7	14/7
OCCT/2	Sin Hal	Cont	Sing	RSL	5/7	15/7
RM/14	Samal	Repair	Mong	SSST	17/5	14/7
RM/15	Conity	Rice(P)	C Clink	SMSL	R/A	17/7
CCJ	Unali	GI	Thail	RML	8/7	18/7
GSJ	Al Baurag	C Clink	Puke	USTO	10/6	25/7
TSP	Tarpon Santiago	R Phos	Sing	Seacom	30/6	14/7
RM/3	Shannon	CDSO	Sing	Seacom	12/6	14/7
RM/4	Shannon	CDSO	Sing	Seacom	12/6	14/7
RM/5	Duke	HSD	Jube	ECSL	29/6	16/7
RM/6	Chongryongsan	GI	Bank	Rainbow	14/6	15/7
DOJ	BUTI	Cement	Para	Able	R/A	20/7
DDJ/1	Tanary Star	Idle	Para	PSAL	16/6	16/7
DDJ/2	AA Venture	Repair	Mong	CLIA	16/6	16/7
RM/8	Sea World	Repair	Mong	CNCL	R/A	29/7
RM/9	Banglar Jyoti	Repair	TSC	R/A	18/7	
CHJ/1	Flag Investors	Cement	Aden	BSL	9/7	20/7
KAPCOU	Kuayin	Urea	Tuti	Everett	11/7	16/7
KAPCOU	Dun Au	Ammonia	Haid	MBL	4/7	14/7

Vessels due at outer anchorage

Name of vessels	Date of arrival	L Port	Local agent	Cargo	Loading port
Bunga Mas Lapan(Conti)5/7	14/7	P Kel	EOSL	Cont	Sing
Cemerlang	14/7	Indo	Olm	C Clink	Sing
Jaya Venus (Cont)	15/7	Sing	RSL	Cont	Sing
Joy World(48) 5/7	15/7	Sing	SSLL	GI(St Coll)	Sing
Achiever (Cont)	15/7	Sing	RSL	Cont	Sing
QC Mallard (Cont) 5/7	16/7	Sing	QCCL	Cont	Sing
Revenge	16/7	Sing	Sunshine	Salt	Sing
Jurong Balsam (Cont) 1/7	16/7	Sing	NOL	Cont	Sing
Kota Calaya (Cont) 6/7	17/7	Sing	PIL(BD)	Cont	Sing
Tug Hui Xiang	17/7	Sing	Kagna	-	-
Tugie Mecareux	17/7	Sing	Kagna	-	-
Barge: PDC-1	17/7	Sing	Kagna	-	-
Rainbow Joy(48) 12/7	18/7	Sing	GI	GI(Wood Pulp)	-
Ocean-1	18/7	Yang	SMSL	GI	-
Da Fa (Cont) 11/7	18/7	Sing	RSL	Cont	Sing
Banga Bira (Cont) 4/7	18/7	Sing	Bdshp	Cont	Sing
Bunga Mas Lima(Conti)11/7	19/7	P Kel	EOSL	Cont	Sing
Banglar Moni (Cont) 6/7	20/7	Sing	BSC	Cont	Sing
Banglar Gourab	20/7	Kara	BSC	GI/Rice	Sing
Roro Slam(Roro)24/1/7	21/7	Hochi	JP	Vehi	-
Banga Birol (Cont) 11/7	21/7	Sing	Bdshp	Cont	Sing
QC Teal(Conti)11/7	21/7	Sing	QCCL	Cont	Sing
Banglar Robi (Cont) 13/7	22/7	Sing	BSC	Cont	Sing
Star Glory	25/7	Sing	PSAL	Cement	Sing
Xpress Makulu (Cont) 11/7	25/7	Sing	RSL	Cont	Sing
Xpress Resol Ve (Cont)4/7	29/7	Sing	RSL	Cont	Sing

Tanker due

Name of vessels	Cargo	Last port	Local agent	Date of arrival
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Energy Explorer-IV	-	-	BBAL	5/4
Seabulk Command	-	-	IBS	R/A15/7
Seabulk Eagle	-	-	-	R/A19/7

Vessels at outer anchorage

Ready on:

Name of vessels	Cargo	Last port	Local agent	Date of arrival
Youngly	C Clink	Sing	PSAL	R/A21/6
Min Jiang	GI	Sing	Bdshp	28/6
Tasmia	GI	Sing	Nishan	R/A3/7
Sun Ocean	GI(Log)	Yang	SMSL	4/7
Sheng Mu	Wheat(P)/GI	Sing	MSA	4/7
Bharatendu(48)	GI	Kous	SSLL	7/7
Tiger River(Cont)	Cont	Sing	NOL	7/7
Orvick	Wheat(GI)	Swich	LSC	25/6
Bunga Mas Enami(Cont)	Cont	P Kel	EOSL	8/7
Kota Singa(Cont)	Cont	Sing	PIL(BD)	9/7
Ever Cheer(48)	GI	Sing	RML	9/7
Ultima(Cont)	Cont	Sing	QCCL	9/7
Jaya Mars(Cont)	Cont	Mong	Baridhi	10/7
Prices	Sugar(GI)	Sant	Limond	10/7

The above are shipping position and performance of vessels of Chittagong Port as per berthing sheet of CPA supplied by HRC Group, Dhaka.

ReadyCash system at JB branch tested

An in-branch testing of the ReadyCash Card system was organised by American International (Bangladesh) Ltd. at Janata Bhaban Corporate Branch of Janata Bank yesterday, says a press statement.

The event was witnessed by Managing Director of Janata Bank Md Aminul Islam and Deputy Managing Director M A Yousoof. Among others, senior officials of the bank including general managers, deputy general managers and assistant general managers were present.

A team from American International (Bangladesh) Ltd., led by its Director Thayne Whipple and its President M J Islam, displayed live transactions using the ReadyCash Card, terminals and a reload station installed at the branch. They also explained different operational aspects of the ReadyCash system and answered questions from Janata Bank officials and clients.

WTO leadership sharing attempt postponed

GENEVA, July 15: The World Trade Organisation, deadlocked in its attempts to choose a new director-general, postponed Thursday its attempts to reach a compromise which would see the two candidates sharing the job, says AP.

The meeting was postponed after representatives of Australia and Bangladesh asked for an adjournment for more consultations.

The latest proposal would see former New Zealand Premier Mike Moore and Thai Deputy Premier Supachai Panitchpakdi each serving three years in office. The original plan had been to appoint one man for four years, with the expectation that the appointment would be renewed.

"We know it isn't an ideal solution, but it is the only practical one," said Bangladesh Ambassador Iftekhar Chowdhury. He said the meeting had been adjourned because many delegations were waiting for instructions from their governments.

"If every player is flexible and takes the interests of the organization to heart we can get a breakthrough," said Thai trade ambassador Krirk-khai Jirapatt before the start of the meeting.

The draft text states that the first director-general should serve from September 1999 to August 2002, and his successor would serve until August 2005. Neither man would be allowed to extend his term or be reappointed.

The compromise followed months of meetings and missed deadlines during which the 134-nation WTO failed to reach a consensus on which candidate should be appointed.



Md Aminul Islam, Managing Director and M A Yousoof, Deputy Managing Director of Janata Bank tests the ReadyCash Card system at the bank's Janata Bhaban Corporate Branch yesterday. GMs, DGMs, AGMs and other senior officials of Janata Bank and American International (Bangladesh) Ltd were also present. — American Int'l photo

Govt aims at 720,000 job creation

Japanese lower house passes \$4.3b supplementary budget

TOKYO, July 15: In a bid to fight joblessness, the powerful lower house of the Japanese parliament approved a 520 billion yen (\$4.3 billion) supplementary budget on Thursday, says AP.

The bill was sent on to the upper house for enactment Monday at the earliest. Passage in the lower house basically ensures approval, even if the weaker upper house rejects the package in a symbolic vote.

The budget will finance the government's plan to create about 720,000 jobs through measures such as subsidies to companies and nonprofit organizations for hiring displaced workers.

The move reflects the government's desire to stem the rise in unemployment as recession-hit companies shed workers through drastic restructuring.

Japan's jobless rate recently hit an all-time high of 4.8 per cent in March and April before easing to 4.6 per cent in May.

Japan is facing its longest recession since World War II. Some good news came last month, though, when the government announced that the economy grew at an annualised rate of 7.9 per cent in the first quarter.

About half of that growth